

- Proposed -

REDEVELOPMENT PLAN FOR THE MID-MARKET REDEVELOPMENT PROJECT



SAN FRANCISCO REDEVELOPMENT AGENCY

As Approved by Redevelopment Commission October 18, 2005

DOCUMENTS DEPT.

MAY - 2 2006

SAN FRANCISCO

TABLE OF CONTENTS

CH	APTER 1.0 – INTRODUCTION	1
1.1	Contents of the Plan	1
1.2	Conformance with the General Plan	
1.3	Preliminary Plan	1
1.4	Agency Powers, Duties and Obligations for Implementation of Plan	1
1.5	Project Area Boundaries and Legal Description	
1.6	Definitions	
1.7	Related Plan Documents	
CH	APTER 2.0 – GOALS AND OBJECTIVES	7
2.1	Redevelopment Project Objectives	7
2.2	Revitalization Goals and Objectives	
	A - Diversity & Social/Economic Equity	
	B - Arts, Culture & Entertainment	8
	C Community Identity & The Built Environment	10
	D Community Services and Public Safety	12
	E Economic Vitality	
	F Housing & Neighborhood	
	G Transportation and Parking	15
CHA	APTER 3.0 – DEVELOPMENT CONTROLS AND REQUIREMENTS	17
3.1	General Controls and Limitations	
3.2	Land Use, Zoning, Height/Bulk	
3.3	Public Rights-of-Way	
3.4	Open Space, Public and Semi-Public Uses	
3.5	Design Guidelines	
3.6	Administration of Development Controls	19
Спл	APTER 4.0 – AGENCY POWERS DUTIES AND OBLIGATIONS	20
CILA	AI IER 4.0 – AGENCI I OWERS DUTIES AND OBLIGATIONS	20
4.1	General Redevelopment Actions	20
4.2	Redevelopment Participation Opportunities	
7.2	4.2.1 Owner Participation in Redevelopment	
	4.2.2 Business Tenant Participation in Redevelopment	22
	4.2.3 Rules for Participation Opportunities, Priorities and Preferences	23
4.3	Cooperation with Public Bodies	23
4.4	Property Acquisition	
	4.4.1 Acquisition of Real Property	23

	4.4.2 Eminent Domain	
	4.4.3 Pre-existing Covenants, Conditions and Restrictions on Agency Acquired Real Proper	
	4.4.4 Acquisition of Personal Property	
4.5	Relocation of Persons, Business Concerns and Others Displaced by Project	
	4.5.1 Assistance in Finding Other Locations	
	4.5.2 Relocation Payments	
4.6	Demolition, Clearance, Public Improvements and Site Preparation	
	4.6.1 Demolition and Clearance	
	4.6.2 Public Improvements, Public Facilities and Public Utilities	
	4.6.3 Preparation of Building Sites	
4.7	Property Disposition and Development	
	4.7.1 Real Property Disposition and Development	
	4.7.2 Disposition and Development Documents	
	4.7.3 Development by the Agency	
4.0	Coordination with Other Public Bodies	
4.8	Rehabilitation, Conservation and Moving of Structures	
4.9	4.9.1 Rehabilitation and Conservation	
4.10	4.9.2 Moving of Structures	
4.10	4.10.1 General Authority	
	4.10.1 General Authority	
	4.10.3 Replacement Housing Plan Requirement.	21
	4.10.4 Affordable Housing Production	
	4.10.5 Affordable Housing Preservation	
	4.10.6 Affordable Housing Participation Policy	
	4.10.7 Increase, Improve and Preserve Supply of Affordable Housing	
	4.10.8 Preference for Displaced Low- and Moderate-Income Persons and Families	
	•	
C	PTER 5.0 – METHODS OF FINANCING THE PLAN	25
CHA	TER 5.0 - METHODS OF FINANCING THE PLAN	35
5.1	General Description of Proposed Financing Method	35
5.2	Tax Increment Funds	35
5.3	Agency Bonds	36
5.4	Time Limit on Establishment of Indebtedness	36
5.5	Time Limit for Receipt of Tax Increment Funds	37
5.6	Other Loans, Grants and Miscellaneous Financing Sources	
Сна	TER 6.0 – ACTIONS, ENFORCEMENT AND PROCEDURES	38
6.1	Actions by the City and County	
6.2	Administration and Enforcement	
6.3	Duration and Effectiveness of the Plan	
6.4	Procedures for Plan Amendment	
6.5	Severability	39
Сна	TER 7.0 – REPRESENTATIVE PROJECTS AND PROGRAMS	40

7.1	Implementation Plans	40
7.2	Representative Projects and Programs	40
	Representative Projects and Programs A - Arts, Culture, and Entertainment	40
	B - Community Identity & the Built Environment	42
	C - Community Services & Public Safety	43
	D - Economic & Business Vitality	
	E - Housing and Neighborhood.	45
	F - Transportation and Parking	46
Ехн	HIBIT 1: REDEVELOPMENT PROJECT AREA BOUNDARY MAP	
Ехн	HBIT 2: LEGAL DESCRIPTION OF PROJECT AREA BOUNDARIES	49

CHAPTER 1.0 – INTRODUCTION

1.1 Contents of the Plan

This is the Redevelopment Plan ("Plan") for the Mid-Market Redevelopment Project ("Project") in the City and County of San Francisco ("City"). This Plan consists of text, the Redevelopment Boundary Map (attached as Exhibit No. 1) and the Legal Description of Project Area Boundaries (attached as Exhibit No. 2). The San Francisco Redevelopment Agency ("Agency") prepared this Plan pursuant to the Community Redevelopment Law of the State of California (Health & Safety Code §§33000 et seq.) ("Community Redevelopment Law"), the California Constitution, and all applicable local codes and ordinances. The area covered by this Plan is referred to as the Mid-Market Redevelopment Project Area ("Project Area"). The Project Area includes all properties within the Project Area boundary shown on the Redevelopment Boundary Map.

1.2 Conformance with the General Plan

The proposed redevelopment of the Project Area as described in this Plan is consistent with the General Plan of the City and County of San Francisco, and all rehabilitation and new development will comply with the General Plan, the Planning Code and any other applicable ordinances. The Plan is also intended to supplement but not supplant other laws and regulations applicable within the Project Area, as they may be enacted or amended from time to time.

1.3 Preliminary Plan

This Plan is based upon a Preliminary Plan formulated and adopted by the Planning Commission of the City (the "Planning Commission") on June 23, 2005, by Motion No. 17050.

1.4 Agency Powers, Duties and Obligations for Implementation of Plan

This Plan provides the Agency with powers, duties and obligations to implement and further the program described herein. This Plan provides a framework within which specific development plans will be devised, priorities for specific projects established, and specific solutions proposed. It also describes the tools available to the Agency to develop and proceed with specific plans, projects, and solutions.

1

1.5 Project Area Boundaries and Legal Description

The boundaries of the Project Area are shown on the Redevelopment Boundary Map (attached as Exhibit No. 1) and described in the Legal Description of Project Area Boundaries (attached as Exhibit No. 2).

1.6 Definitions

The following definitions are used in this Plan unless otherwise indicated by the text:

- "Affected Taxing Entities" means any governmental taxing entity (sometimes referred to as "taxing agency") that levies property taxes on all or a portion of property located within the Project Area in the fiscal year prior to the adoption of the Plan.
- "Agency" means the Redevelopment Agency of the City and County of San Francisco, California.
- "Board" means the Board of Supervisors of the City and County of San Francisco, California
- 4. "Certificate Holder" means a person who has been issued an Agency Certificate of Preference and who is eligible, under the Agency's Certificate Program, for certain preferences in housing because the person, or his/her family, was displaced by redevelopment activities.
- 5. "City" means the City and County of San Francisco, California.
- 6. "Community Redevelopment Law" means the Community Redevelopment Law of the State of California (§§33000 et seq. of the California Health & Safety Code). References to Sections in the text of this plan refer to provisions of the Community Redevelopment Law unless otherwise specified.
- 7. "Design Guidelines" means a document that is consistent with the land use provisions of this Plan and that provides additional guidance, direction or limitation to development, including, without limitation, establishing massing, scale, setbacks, signage and other controls on specific parcels or groups of parcels.
- 8. "federal government" means the United States or any of its agencies or instrumentalities.
- 9. "General Plan" means the General Plan for the City and County of San Francisco.

- 10. "Interagency Cooperative Agreements" or "ICAs" means agreements created to provide the framework for cooperation among various City agencies and the Agency, in accordance with the Plan and the other applicable Related Plan Documents.
- 11. "Owner Participant" means a property owner who has entered into an Owner Participation Agreement or other form of agreement that obligates the owner to rehabilitate, develop, or use the property in conformance with this Plan and such other provisions and conditions to which the parties may agree.
- 12. "Owner Participation Agreement" or "OPA" means an agreement that obligates the property owner (Owner Participant) to rehabilitate, develop, or use the property in conformance with this Plan and such other provisions and conditions to which the parties may agree.
- 13. "Owner Participation and Business Re-Entry Rules" means the Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants. These rules are adopted pursuant to the CRL in order to implement the provisions of this Plan regarding participation by property owners and the extension of reasonable preferences to business occupants within the Project Area.
- 14. "Plan" means this Redevelopment Plan for the Mid-Market Redevelopment Project.
- 15. "Plan and Method of Relocation" means a document that establishes how the Agency shall assist such persons, business concerns and others displaced from the Project Area by redevelopment activities of or assisted by the Agency in finding new locations in accordance with all applicable relocation statutes and regulations.
- 16. "Planning Code" means the Planning Code of the City and County of San Francisco.
- 17. "Planning Commission" means the Planning Commission of the City and County of San Francisco, California.
- 18. "Project" means the Mid-Market Redevelopment Project.
- 19. "Project Area" means the area included within the boundaries of the Mid-Market Redevelopment Project. The Project Area is sometimes referred to herein as Mid-Market or district.
- 20. "Project Area Committee" or "PAC" means the advisory body elected in conformance with Section 33385 of the Community Redevelopment Law and in accordance with rules and procedures adopted by the Board of Supervisors.
- 21. "real property" means land, including land under water and waterfront property; buildings, structures, fixtures, and improvements on the land; any property appurtenant to or used in connection with the land; every estate, interest, privilege, easement, franchise, and right in

land, including rights-of-way, terms for years, and liens, charges, or encumbrances by way of judgment, mortgage, or otherwise and the indebtedness secured by such liens.

- 22. "redevelopment activities" mean the Agency's work program as described in its annual budget.
- "Redevelopment Agency Commission" means the Redevelopment Agency Commission of the City and County of San Francisco.
- 24. "Related Plan Documents" means documents created by the City and the Agency in order to facilitate the implementation of this Plan, including implementation plans, interagency cooperation agreements, Planning Code amendments, and design guidelines.
- 25. "single room occupancy residential hotel" or "SRO" means a residential building composed of Single Room Occupancy (SRO) Units as defined by the San Francisco Planning Code.
- 26. "State" means the State of California.
- "unreinforced masonry building" or "UMB" means a building or structure having at least one unreinforced masonry bearing wall.

1.7 Related Plan Documents

In order to facilitate the implementation of this Plan, the City and the Agency may develop related Plan Documents, including implementation plans, interagency cooperation agreements, Planning Code amendments, and design guidelines (collectively, "Related Plan Documents"). In addition, the State or the City may pass legislation related to this Plan.

Mid-Market Implementation Plan. Per Section 33490 of the Community Redevelopment Law, the Agency shall adopt, after a public hearing, an implementation plan that shall contain the specific goals and objectives of the Agency for the Project Area, the specific programs, including potential projects, and estimated expenditures proposed to be made during the next five years, and an explanation of how the goals and objectives, programs, and expenditures will eliminate blight within the Project Area and implement the requirements of Sections 3334.2, 33334.6, and 33413. After adoption of the first implementation plan, the parts of the implementation plan that address Sections 33334.2, 33334.4, 33334.6, and 33413 shall be adopted every five years either in conjunction with the housing element cycle or the implementation plan cycle.

Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants. The Agency shall adopt, after a public hearing, Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants. These rules are adopted pursuant to the CRL in order to implement the

provisions of this Plan regarding participation by property owners and the extension of reasonable preferences to business occupants within the Project Area. These rules set forth the procedures governing such participation and preferences. The rules encourage and permit participation in the redevelopment of the Project Area by property owners and extend reasonable preferences to business occupants of real property within the boundaries of the Project Area to the maximum extent consistent with the objectives of this Plan.

Plan and Method of Relocation. The Agency shall adopt, after a public hearing, a Plan and Method of Relocation that establishes how the Agency shall assist such persons, business concerns and others displaced from the Project Area by redevelopment activities of or assisted by the Agency in finding new locations in accordance with all applicable relocation statutes and regulations.

Mid-Market Interagency Cooperation Agreements (or "ICAs"). ICAs will provide the framework for cooperation among various City agencies and the Agency, in accordance with the Plan and the other applicable Related Plan Documents with respect to the review and approval of development authorizations in the Project Area and, where appropriate, to facilitate cooperation of the City agencies in issuance of those permits, approvals, agreements and entitlements at each applicable stage of development. Most notably, implementation of the Plan's development controls will rest primarily with the Planning Department, which will have authority under an ICA (specifically called "Delegation Agreement") to administer the Planning Code in the Project Area.

Mid-Market Special Use District (or "Mid-Market SUD"). The General Plan and the Planning Code provide land use and development goals and controls for the City and County of San Francisco, including the Project Area. The City, with the Agency's assistance, has created specific amendments to the General Plan and the Planning Code in the form of a Special Use District for the Project Area in accordance with the goals and objectives of this Plan, entitled the Mid-Market Special Use District. The Mid-Market SUD provides land use and development controls and incentives to achieve the goals and objectives of the Plan.

Mid-Market Design Guidelines (or "Design Guidelines"). Design Guidelines translate the policies of the General Plan, this Plan and Related Plan Documents into a physical framework for future development within the Project Area, including development of new buildings, rehabilitation of existing buildings, building façade improvements, and improvements to Project Area streetscapes and other public areas. The Design Guidelines, once adopted by the Agency and the Planning Commission, will guide the Agency's implementation of the Plan and the City's implementation of the Mid-Market SUD.

Transportation Access and Parking Management Plan (or "Access and Management Plan"). The Agency shall adopt, after a public hearing, an Access and Management Plan that will examine the existing and future transportation and parking needs of Mid-Market and recommends programs, incentives, and capital projects for the City to implement and improve

multimodal access, safety and efficiency in Mid-Market, including the most efficient use of existing roadway and parking supply in Mid-Market.

Agency Housing Participation Policy. On July 23, 2002, the Redevelopment Commission approved the San Francisco Redevelopment Agency Housing Participation Policy by Resolution No. 71-2002 in order to increase the supply of low-, very low- and moderate-income housing. The Housing Participation Policy includes certain Housing Participation Requirements that apply to certain Agency approvals for new residential developments and amendments to existing Disposition and Development Agreements ("DDAs") and Owner Participation Agreements ("OPAs") as specified therein. All developers of housing within the Project Area shall comply with the Citywide Inclusionary Housing Ordinance, described in Sections 315 et seq. of the Planning Code and as modified by Section 4.10.6 of this Plan, except developers of housing that receive financial assistance or some other material benefit, such as site assembly, site specific capital improvements, or a Plan amendment, as an incentive to redevelop. As a condition of such assistance or approval, developers of housing may be required to comply instead with the Agency's Housing Participation Policy.

CHAPTER 2.0 – GOALS AND OBJECTIVES

2.1 Redevelopment Project Objectives

The purposes of the Community Redevelopment Law, which will be attained through, and the major objectives of, this Plan are:

- A. Eliminating blighting influences and correcting environmental deficiencies in the Project Area, including, but not limited to, abnormally high vacancies, deficient and unsafe buildings, incompatible land uses, poor economic performance of retail businesses, underutilized and vacant land, high crime rates, and inadequate or deteriorated public improvements, facilities and utilities.
- Providing opportunities for participation by owners in the redevelopment of their properties.
- C. Assembling a limited amount of land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Project Area.
- Replanning, redesigning and developing undeveloped and underdeveloped areas that are improperly utilized.
- E. Providing flexibility in the development of the Project Area to respond readily and appropriately to market conditions.
- F. Strengthening the community's supply of housing by assisting, to the extent economically feasible, in the construction and rehabilitation of affordable housing with the deepest levels of affordability, including the development of supportive housing for the homeless.
- G. Strengthening the economic base of the Project Area and the community by strengthening commercial functions in the Project Area.
- H. Facilitating improvement of safety within the Project Area.

2.2 Revitalization Goals and Objectives

The following revitalization goals and objectives for the Plan were established in conjunction with the PAC and members of the community at large. The goals set forth the stated objectives that will direct the revitalization of the Project Area. The achievement of the revitalization goals and objectives will necessitate a collaborative effort between the Agency and the City's various departments. Redevelopment tools and resources will also be used to leverage and/or complement the tools and resources of local, state and federal agencies in order to maximize the effective use of public funds. Together with the zoning regulations, including the Mid-Market SUD and Design Guidelines, these goals will guide the Agency's implementation of the Plan.

A - Diversity & Social/Economic Equity

Goal: A cohesive Central City district truly representative of the full range of San Francisco's many communities — of all cultures, income levels, and backgrounds — which focuses the benefits of economic growth to their needs without causing their displacement. This is the primary and overarching goal of the Redevelopment Plan and should be addressed with all projects and programs.

- A1. Maintain or replace one-for-one the overall total amount of affordably-priced housing, both private for-profit and non-profit, which existed within the Project Area when the survey area for the Redevelopment Project was designated in 1995.
- A2. Recognize the presence of non-profit service providers in the Project Area and their reliance on the affordability of Mid-Market, and ensure sufficient space to accommodate the needs of these institutions, including creative development strategies that could lead to ownership or favorable long-term leases.
- A3. Provide opportunities to bring economically disadvantaged area residents into full participation in the local job market, including employment training and local hiring in conjunction with all major development.
- A4. Protect and expand community arts/cultural facilities and programs.
- A5. Provide apartment, condominium, live/work, artist live/work, and other housing opportunities that address the need for housing of all types in Mid-Market.
- A6. Ensure the development of a variety of unit types at all rungs of the housing income ladder, especially affordable housing for low/moderate income households and supportive housing for the homeless.

B - Arts, Culture & Entertainment

Goal: A unique and diverse theater, arts, cultural and entertainment district that celebrates Mid-Market's historic theaters, intermingles new complementary arts and culture facilities, and caters to the needs of both the local and regional populations.

Land Use and Development

B1. Recognize Mid-Market's historic theaters and fulfill the area's potential as a unique theater, arts, cultural and entertainment district.

- B2. Encourage a diversity and balance of arts/cultural/entertainment/educational activities and establishments with facilities of differing sizes, for different types of arts, and to support different space needs and uses.
- B3. Preserve and encourage facilities for small arts organizations, individual artists, and the facilities that support them.
- B4. Encourage cultural- and entertainment-oriented day and nighttime activities for residents and visitors.
- B5. Encourage the development of museums and/or cultural centers that highlight diverse constituencies of the area.
- B6. Support the redevelopment and rehabilitation of Market Street's adult entertainment theaters to other theater/arts uses and encourage other existing adult uses (i.e., bars, liquor shops, adult entertainment enterprises, and massage establishments) to conform to the Mid-Market SUD and to not cause problems of public safety and welfare.

Specific Improvements/Programs

- B7. Enhance and promote Mid-Market's theater, arts, cultural and entertainment activities through the use of marquees and façade lighting consistent with the Mid-Market SUD controls.
- B8. Involve local artists in developing and implementing a public art program for the Project Area.
- Promote arts-oriented internships, apprenticeships and educational opportunities for youth.

Organization

B10. Encourage the establishment of a collaborative body or organization to promote the development of a Mid-Market theater, arts, cultural and entertainment district and to coordinate arts-related activities and incentive programs.

C -- Community Identity & The Built Environment

Goal: A community with a multitude of possibilities that celebrates its historic past and builds upon its unique qualities through the integration of historic preservation, development controls, public space development, new streetscapes, and other civic/community facilities.

Community Identity

C1. Develop a unique and exciting identity for Mid-Market that builds on its historic, architectural, and cultural resources; promotes its central location at the commercial, civic and transit hub of the City; and highlights the district's distinctive visual qualities.

Urban Design

- C2. Develop a comprehensive set of urban design guidelines for Mid-Market's streetscapes, open spaces, storefronts, and buildings. Invite professionals in fields such as urban design, architecture, historic preservation and public art to assist the Agency and Planning Department, with PAC advice, in developing these design guidelines. The guidelines must consider the district's historic resources and set standards for restoration, rehabilitation and new construction.
- C3. Invite developers to present their proposals at PAC meetings and invite community members and design professionals to provide input.
- C4. Promote new development and urban design initiatives that enhance neighborhood livability and health.
- C5. Create vibrant, pedestrian-friendly streetscape designs that visually and physically link Mid-Market's major north-south arterials with Market Street.
- C6. Establish pedestrian connections (public and private) between Mission and Market Streets through purchase of easements and development controls. Encourage strategies that utilize existing vacant lots and underutilized properties and/or coincide with the rehabilitation of existing buildings.
- C7. Promote pedestrian connections (public and private) to adjacent districts, including South of Market, North of Market, Civic Center, Union Square, and Yerba Buena Center.
- C8. Increase planting, maintenance, and pruning of appropriate street trees.

- C9. Develop public open spaces, a neighborhood park, and pedestrian pathways, provided that mechanisms are available to program, maintain and secure these gathering places.
- C10. Increase the amount of street-level amenities such as appropriate street furniture, lighting, cafes, and other features that create a safe and pleasant experience.

Historic Preservation

- C11. Preserve and restore historically and architecturally significant buildings and districts in accordance with existing laws, processes, and bodies governing historic preservation. Significant buildings include those listed with the city, state and federal government as having significant or landmark status and those buildings that are deemed to have a contributory/contextual benefit to a historic district.
- C12. Update Mid-Market's historic/architectural/cultural resource surveys, as necessary, to evaluate previous efforts and direct future strategies. Any such efforts should be collaborative with the Planning Department and the historic preservation community.
- C13. Utilize and promote available financial incentives to bolster historic preservation efforts, including historic preservation tax credits, tax abatement, transfer of development rights, authorization to use "historic" building codes, and other possible incentives.
- C14. Assist the rehabilitation and reuse the Old Mint in collaboration with the historic preservation community.

Rehabilitation and New Development

- C15. Promote and support the rehabilitation and retrofitting of Mid-Market's building stock in an effort to ensure compliance with current health, safety and building code standards.
- C16. Encourage creative infill development where the massing provides for a continuous streetwall along major thoroughfares, emphasizes the pedestrian experience, and takes into account issues of wind and sunlight.
- C17. Develop an incentives package promoting sustainable development that is both economically and environmentally sound.

D -- Community Services and Public Safety

Goal: A community that is safe and clean -- and perceived to be safe and clean -- by residents, employees, business owners, and visitors. This effort shall include community services for youth, economically disadvantaged residents, and the homeless population.

Community Services

- D1. Support the continuity of services provided by community-serving organizations serving the above-referenced populations through the provision of long-term, affordable office space and the ongoing coordination of revitalization activities.
- D2. Recognize the homeless, at-risk, and low-income populations as participants in the Mid-Market community -- and support both their needs and the organizations that serve them.
- D3. Encourage the establishment of a collaborative body or coordinating structure to achieve better delivery of community services in Mid-Market.
- D4. Promote neighborhood communication and cooperation -- among businesses, service organizations, residents, and the police.
- D5. Promote supportive and transitional housing developments where services are colocated within or near the housing site.

Public Safety and Security

- D6. Enforce the City's building, health, fire, and housing codes in a manner that minimizes displacement and identifies replacement space for displacees as soon as possible.
- D7. Ensure that property owners and tenants comply with criminal, health, safety and labor laws and ordinances.
- D8. Support the safety of Project Area workers, including adult entertainment, garment and other workers historically subject to exploitation.
- D9. Ensure maximum pedestrian safety throughout the Project Area based on a specific action plan to be developed.
- D10. Improve street lighting throughout the Project Area.
- D11. Address criminal activity through community policing in conjunction with the San Francisco Police Department and with community-based organizations in and

- around the Project Area; encourage proactive police involvement in community planning and in community activities.
- D12. Support the continuance of current police efforts and training programs that promote and heighten police sensitivity and effectiveness in dealing with social issues most relevant to the neighborhood.

Neighborhood Cleanliness

- D13. Support the provision of regularly maintained sidewalks and building façades, including the prompt removal of graffiti.
- D14. Provide education and other assistance to property owners and tenants regarding building maintenance.
- D15. Promote education, and an "awareness" campaign, for the community on litter and cleanliness.
- D16. Ensure that new funding or efforts to keep the Project Area clean are coordinated with existing cleaning programs and initiatives in Civic Center, South of Market, United Nations Plaza and the Tenderloin.

E -- Economic Vitality

Goal: A revitalized commercial business core that attracts the patronage of Mid-Market residents, employees, and visitors through the presence of desirable, vibrant day and nighttime activities, as well as an attractive, safe, and clean environment.

New Development

- E1. Develop a balanced mix of activities and businesses that serve the diversity of community residents, workers and visitors.
- E2. Encourage the establishment of a collaborative body or coordinating structure to promote the Mid-Market business district and facilitate economic development activities.
- E3. Attract a mid- to large-scale anchor retailer that will draw shoppers to the Mid-Market district while enhancing and supporting existing commercial businesses within the Project Area.

- E4. Target underutilized sites to capture development opportunities as a catalyst for area revitalization, including but not limited to hotels, theater/entertainment/cultural centers, and other unique specialty uses.
- E5. Create public/private partnerships, invest public resources and provide incentives to encourage new business growth.

Small Business Development

- Retain and enhance existing small businesses through technical, promotional and developmental support.
- E7. Attract new businesses and services, including mixed-use projects, office, or multimedia.
- E8. Create programs and incentives to improve building/storefront façades and signs.
- Encourage entrepreneurial activities and development via micro-loan programs and business incubator spaces.

Community Benefits

- E10. Promote greater job opportunities for Project Area residents by supporting partnerships between Project Area employers and community-serving employment organizations.
- E11. Encourage the retention and recruitment of mid-to large-sized businesses that are able and committed to maximizing job/career opportunities for Project Area residents and are able to participate in the City's First Source Hiring Program.

F -- Housing & Neighborhood

Goal: A community with a range of housing types that includes opportunities at all economic rungs of the housing ladder.

New Housing Development

- F1. Promote increased housing density, as appropriate, on vacant or underutilized parcels while minimizing displacement of existing occupants.
- F2. Support the provision of market rate housing to ensure a diversity of income levels in the Project Area.

Rehabilitation

- F3. Promote livable standards for residential hotels in the Project Area in coordination with other city agencies.
- F4. Minimize the displacement of residents during rehabilitation efforts and other redevelopment activities by ensuring Agency compliance with the CRL.

Neighborhood Amenities

F5. Promote and assist in the development of community facilities and commercial uses to meet the needs of the Project Area's residents.

Affordable Housing

- F6. Develop affordable housing that is affordable to Project Area residents and that otherwise meets the needs of this population.
- F7. Encourage the development of a diverse range of affordable housing types that targets different populations and their needs, including family, senior, transitional, supportive, and mixed-use housing developments.
- F8. Strategize on how to provide housing for no-income, extremely low-income, very low-income, low-income and moderate-income households.

G -- Transportation and Parking

Goal: A community that promotes public transit use, bicycling, walking, carpooling and car sharing by its residents, employees, and visitors, provides short-term parking options for visitors of retail and entertainment establishments, for other desired uses, and for visitors of Project Area residents, and provides for the safety and convenience of transit passengers, pedestrians, cyclists, and motorists in the Mid-Market Project Area.

Public Transportation

- G1. Coordinate with area transit service providers, such as BART and MUNI, to enhance routing and service provision, and the safety, cleanliness, and functionality of station area and transit stop locations.
- G2. Coordinate with BART on economic development opportunities in and around the Civic Center and Powell Street stations.

Parking and Automobile Traffic

- G3. Maximize the efficient use of existing short-term parking facilities, including onstreet parking and parking accessory to daytime uses, with the goal of expanding availability of short-term parking as the district grows.
- G4. Discourage unnecessary private automobile use with programs that promote car sharing, shuttles, carpooling, public transit, bicycling, walking and other alternatives.
- G5. Coordinate with city agencies to improve traffic management devices and enforcement measures in order to improve traffic flow while minimizing the incidence of speeding, double-parking, cars blocking crosswalks and bike lanes and cars driving, queuing and parking in transit-only lanes, when in effect.

Pedestrians and Bicycles

- G6. Provide improved directional signage for public places, including signage in several languages.
- G7. Promote pedestrian-oriented urban design in order to improve pedestrian safety, access and convenience and to reduce the amount of traffic congestion, while maximizing transit patronage.
- G8. Add and encourage appropriate bicycle lanes and bicycle storage facilities as well as increased enforcement of traffic violations by drivers or bicyclists.
- G9. Encourage street-level uses that create active pedestrian traffic -- especially along Market and Mission Streets

CHAPTER 3.0 - DEVELOPMENT CONTROLS AND REQUIREMENTS

3.1 General Controls and Limitations

All real property in the Project Area is hereby made subject to the controls and requirements of this Plan, which recognizes, among other things, that the Board of Supervisors and the Planning Department shall have exclusive jurisdiction over all review, approval, and implementation of any development project that is subject to a development agreement under Chapter 56 of the San Francisco Administrative Code and that provides for the development of 1,400 or more dwelling units. No real property shall be developed, rehabilitated, or otherwise changed after the date of the adoption of this Plan, except in conformance with the provisions of the Planning Code and applicable Design Guidelines adopted pursuant to this Plan or, if applicable, the provisions of Chapter 56 of the San Francisco Administrative Code.

3.2 Land Use, Zoning, Height/Bulk

The General Plan and the Planning Code, as amended by the Mid-Market SUD, identify the land uses and other development controls authorized in the Project Area. Other existing codes and regulations relating to development, such as the Residential Hotel Unit and Conversion and Demolition Ordinance, also apply within the Project Area unless they are contrary to the provisions of this Plan.

The Planning Commission and the Board of Supervisors may adopt amendments to the General Plan and the Planning Code, including the Mid-Market SUD, and may enter into development agreements under Chapter 56 of the San Francisco Administrative Code, to better achieve the goals and objectives of this Plan. In the event the General Plan, Planning Code or any other applicable ordinance is amended or supplemented with regard to any land use or development control in the Project Area, or in the event any development agreement is entered into, the land use provisions and development controls of this Plan shall be automatically modified accordingly without the need for any formal plan amendment process unless those amendments or supplements are contrary to the provisions of this Plan. Prospective property developers should refer directly to the Planning Code for applicable standards, as well as to the remainder of this Redevelopment Plan and Related Plan Documents as outlined in Section 1.7.

3.2.1 Number of Dwelling Units

The number of dwelling units in the Project Area shall be approximately 5,024.

3.3 Public Rights-of-Way

The street layout in the Project Area is illustrated on the Redevelopment Project Area Boundary Map (Exhibit No. 1) and shall remain substantially in its existing configuration. The City may propose sidewalk widenings, traffic changes, streetscape and other pedestrian improvements consistent with this Plan and the Mid-Market SUD. Existing streets and alleys may only be modified as necessary for proper use and/or development, and additional public streets, rights of way and easements may be created in the Project Area as needed for development and circulation. Any such modifications and/or additions must be: (i) consistent with the City's General Plan, the objectives of this Plan, the Public Works Code and the City's street design standards; (ii) effectuated in the manner prescribed by state and local laws; and (iii) guided by the following criteria:

- A. Changes must promote a pedestrian-oriented environment with limitations on curb cuts and vehicular access, and prioritize adequate pedestrian facilities including lighting, "bump-outs," waste receptacles, and economically viable land uses.
- B. Changes must balance the needs of proposed development for adequate pedestrian and vehicular access, vehicular parking, and delivery loading docks with similar needs of existing developments. Such balancing shall take into consideration the rights of existing owners and tenants under the Owner Participation and Business Re-Entry Rules adopted by the Agency for the Project Area, and any participation agreements executed thereunder.
- C. Changes must address the constraints imposed by such factors as topography, traffic safety, and aesthetics.
- D. Changes must provide convenient and efficient vehicular access and movement.
- E. Changes must accommodate public transportation facilities and/or requirements.

3.4 Open Space, Public and Semi-Public Uses

In any area of the Project Area, the Agency is authorized to permit, establish, alter or enlarge open space and public, semi-public, institutional or nonprofit uses, including parks, plazas, playgrounds, recreational and sports facilities, transportation and related facilities, libraries, hospitals, educational, philanthropic, religious, or charitable institutions, and facilities of other similar organizations. All such uses shall conform to the provisions of this Plan and to the Planning Code, as amended by the Mid-Market SUD.

3.5 Design Guidelines

The Agency may issue Design Guidelines to guide specifically the design of development within the Project Area, or portions of the Project Area, in a manner consistent with this Plan and the Planning Code, as amended by the Mid-Market SUD. The Agency may delegate some or all of this authority to the Planning Commission and the Planning Department. Provided, however,

that development projects that are subject to a development agreement under Chapter 56 of the San Francisco Administrative Code and that provide for the development of 1400 or more dwelling units shall be subject to the design requirements of the Mid-Market SUD except as modified in the development agreement.

3.6 Administration of Development Controls

The Agency may enter into an Interagency Cooperation Agreement with the Planning Department delegating the administration of development controls within the Project Area in certain instances to the Planning Department (the "Delegation Agreement"). The Delegation Agreement shall specify the roles of the Agency and the Planning Department in reviewing development proposals and otherwise administering the development controls, with the objective of facilitating the development process and furthering the goals of the Redevelopment Plan. The Agency shall retain the right to terminate any Delegation Agreement with the Planning Department and administer the development controls itself. The Agency may also modify the Delegation Agreement, provided that the Planning Department agrees and that any such modification is consistent with this Plan. Notwithstanding the Delegation Agreement, the Agency's right to terminate the Delegation Agreement, or any other provisions of this Plan, the Board of Supervisors and the Planning Department shall have exclusive jurisdiction over all review, approval, and implementation of any development project that is subject to a development agreement under Chapter 56 of the San Francisco Administrative Code and that provides for the development of 1,400 or more dwelling units.

CHAPTER 4.0 – AGENCY POWERS DUTIES AND OBLIGATIONS

4.1 General Redevelopment Actions

The Agency proposes to achieve the goals and objectives of this Plan by:

- A. participation in redevelopment by owners presently located in the Project Area and the extension of preferences to business occupants and other tenants desiring to remain or relocate within the redeveloped Project Area;
- rehabilitation of structures and improvements by present owners, their successors and the Agency;
- retention of existing businesses and attraction of new businesses and the provision of assistance to the private sector, if necessary;
- D. acquisition of real property;
- E. demolition or removal of certain buildings and improvements;
- management of any property acquired by and under the ownership or control of the Agency;
- G. provision of relocation assistance to eligible occupants displaced from property in the Project Area;
- installation, construction, purchase or reconstruction of streets, utilities, parks, other open spaces, and other public improvements and facilities;
- disposition of property for uses in accordance with this Plan;
- redevelopment of land by private enterprise or public agencies for uses in accordance with this Plan and to promote economic development of the area;
- assembly of adequate sites for the development and construction of residential or commercial facilities;
- development of extremely low-, very low-, low- and moderate-income housing, including supportive housing for the homeless; and
- M. participation with Project Area property owners, residents, businesses, and organizations in the formation, if appropriate, of municipal finance districts, including but not limited to community facilities districts, business improvement or community benefit districts, landscape and lighting districts or other similar programs that utilize "self assessments" for the purpose of providing public improvements and facilities.

To accomplish the above activities in the implementation and furtherance of this Plan, the Agency is authorized to use all the powers provided in this Plan and all the powers now or hereafter permitted by law.

4.1.1 Nondiscrimination in the Implementation of Redevelopment Actions

All property in the Project Area is hereby subject to the restriction that there shall be no discrimination or segregation based upon race, color, creed, religion, sex, gender identity, sexual

orientation, age, marital or domestic partner status, national origin or ancestry, or disability including HIV/AIDS status permitted in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of property in the Project Area. All property sold, leased, conveyed or subject to an Owner Participation Agreement shall be expressly subject by appropriate documents to the restriction that all deeds, leases or contracts for the sale, lease, sublease or other transfer of land in the Project Area shall contain such nondiscrimination and non-segregation clauses.

The Agency will adopt and implement programs, for implementation in the Project Area, that meet or exceed City policies regarding workforce development, contracting opportunities, and equal opportunity, particularly for economically-disadvantaged residents of the Project Area, census tracts 176.01, 124, and 125, and surrounding lower income areas impacted by gentrification and for other economically disadvantaged San Francisco residents and businesses.

4.1.3 Prevention of the Recurrence of Blight

To provide adequate safeguards to ensure that the provisions of this Plan will be carried out and to prevent the recurrence of blight, all public and private property in the Project Area, including all real property sold, leased, or conveyed by the Agency, as well as all property subject to an Owner Participation Agreement, shall be made subject to the provisions of this Plan and other conditions imposed by the Agency by written instruments such as leases, deeds, contract, agreements, and declarations of restrictions. Where appropriate, such documents or portions thereof shall be recorded in the official records of the Recorder of the City and County of San Francisco. The written instruments may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, equitable servitudes, or any other provision necessary to carry out this Plan.

4.1.4 Mid-Market Community Services, Arts, Culture and Entertainment Funding

Over the term of the Redevelopment Plan, the Agency shall use no less than twenty percent (20%) of the total tax increment funds that the Mayor and Board of Supervisors allocate to the Agency for its Mid-Market redevelopment activities for the purposes of supporting community services, arts, culture, and entertainment uses within the Project Area. (For purposes of this Section, "redevelopment activities" mean the Agency's work program as described in its annual budget.)

4.2 Redevelopment Participation Opportunities

The Agency shall encourage owners of real property in the Project Area to participate in the redevelopment of their properties through rehabilitation or new development of all or a portion

of their properties, or participation with developers in the redevelopment of all or a portion of their properties, or by other suitable means.

4.2.1 Owner Participation in Redevelopment

Owners of property in the Project Area may participate in the redevelopment of their property by following the development processes applicable to their property pursuant to this Plan, as well as the applicable provisions of the Planning Code and other regulations of the City and County of San Francisco.

If the Agency provides financial assistance or some other material benefit, such as site assembly, site specific capital improvements, or a Plan amendment, as an incentive to redevelop, the Agency may, as a condition of such assistance or approval, require execution of an Owner Participation Agreement or other form of agreement that obligates the owner (Owner Participant) to rehabilitate, develop, or use the property in conformance with this Plan and such other provisions and conditions to which the parties may agree.

In addition, to alleviate blighting conditions, implement the objectives of the Plan and encourage revitalization efforts in the Project Area, the Agency may request owners of properties exhibiting one or more of the conditions listed in Section 4.4.2(C) to redevelop such properties and to enter into an Owner Participation Agreement to regulate such redevelopment. If the owner of such a property refuses to enter into an Owner Participation Agreement or fails or refuses to develop, use and maintain the subject real property in accordance with such Owner Participation Agreement, the real property or any interest therein may be subject to acquisition by the Agency pursuant to the provisions of Section 4.4 below. Owner Participation Agreements may include provisions necessary to make the Owner Participation Agreement applicable to successor property owners, and may be recorded together with any related instrument. Whether or not a property owner enters into an Owner Participation Agreement with the Agency, the provisions of this Plan are applicable to all public and private property in the Project Area.

The Agency's approval of any Owner Participation Agreement or other agreement may be based on the Agency's consideration of some or all of the following factors:

- A. Ability of the participants to finance the proposed acquisition, development or rehabilitation in accordance with this Plan;
- Ability and experience of participants to undertake and complete the proposed development;
- Adherence to the requirements of this Plan and applicable laws and regulations of the City and County of San Francisco; and
- Feasibility of the proposed development.

4.2.2 Business Tenant Participation in Redevelopment

The Agency shall extend all reasonable preferences to persons who are engaged in business in the Project Area to participate in the redevelopment of the Project Area, or to reenter into business within the redeveloped Project Area, if they otherwise meet the requirements of this Plan.

4.2.3 Rules for Participation Opportunities, Priorities and Preferences

In order to provide opportunities to owners to participate in the redevelopment of the Project Area and to extend reasonable preferences to businesses to reenter into business within the redeveloped Project Area, the Agency has promulgated rules for participation by owners and the extension of preferences to business tenants for reentry within the redeveloped Project Area.

4.3 Cooperation with Public Bodies

The Agency is authorized to financially (and otherwise) assist any public entity in the cost of public land, buildings, facilities, structures or other improvements (within or outside of the Project Area) where such land, buildings, facilities, structures or other improvements are owould be of benefit to the Project Area, in accordance with Interagency Cooperative Agreements entered into by the Agency and applicable provisions of the Community Redevelopment Law.

4.4 Property Acquisition

4.4.1 Acquisition of Real Property

The Agency may acquire, but is not required to acquire, any interest in real property or improvements located in the Project Area by gift, devise, exchange, lease, purchase, or any other lawful method. The Agency may acquire an interest in real property or improvements in fee or other interest in real property less than a fee. However, the use of eminent domain to acquire property shall be subject to the limitations of Section 4.4.2.

4.4.2 Eminent Domain

The Agency may exercise the power of eminent domain if the Agency complies with state law including, but not limited to, the requirement in Section 1245.230 of the Code of Civil Procedure to adopt a resolution of necessity finding that acquisition of such property through eminent domain is in the public interest, and necessary to carry out the Redevelopment Plan. The use of eminent domain shall be limited by the following provisions:

A. No eminent domain proceeding to acquire property within the Project Area shall be commenced more than 12 years following the date of Plan adoption. This time limit may be extended only by amendment of the Redevelopment Plan.

- B. The Agency shall not use eminent domain to acquire property without conferring with and seeking the advice of the duly elected PAC, while the PAC continues to exist.
- C. The Agency shall not use eminent domain to acquire a property unless one or more of the following conditions exist and the owner of such property refuses to enter into, or fails to comply substantially with, an Owner Participation Agreement that provides for the redevelopment of the property in accordance with this Plan: ¹
 - The property contains an unreinforced masonry building (UMB) that has not been seismically retrofitted by the date required by City ordinance.
 - The property contains a single room occupancy (SRO) residential hotel that has been cited repeatedly for violations of applicable laws, codes and ordinances.
 - 3. The property contains a building in which it is unsafe or unhealthy for persons to live or work as determined by the Department of Building Inspection, after failure to comply with an order of abatement of such conditions pursuant to Section 102 of the Building Code, or the property contains uses that pose a threat to the public's safety and welfare as formally determined through major citations by agencies or departments specifically authorized to ensure the safety of Mid-Market buildings and their occupants, including, but not limited to the San Francisco Police Department, San Francisco Fire Department, San Francisco City Attorney's Office, San Francisco District Attorney's Office, San Francisco Department of Public Health, San Francisco Department of Building Inspection, and San Francisco Planning Department.
 - 4. The property contains vacant or substantially vacant (approximately 75% or more of the rentable area) building(s) or is a vacant or substantially vacant lot, but not a surface parking lot. Residential buildings have a 2-year grace period from the time of plan adoption². Commercial buildings and lots fronting Market Street have a 6-year grace period from the time of plan adoption. Non-Market Street commercial buildings and lots have an 8-year grace period from the time of plan adoption.
 - The property is a surface parking lot that has not been developed within 6 years of plan adoption. Notwithstanding anything to the contrary in this Section C or

¹ Any one of the conditions outlined in Section C above, regardless of other conditions outlined therein, is a trigger for the Agency's use of eminent domain. For example, a residential property that its primarily vacant as outlined in Subsection C4 may not be shielded from eminent domain by the two-year "grace period" if it is also in violation of Subsection C2, which has no grace period.

² Property owners are not precluded by the "grace period" provisions in Sections C4 and C5 from obtaining a building code permit after compliance with the Planning Code or from executing an OPA with the Agency prior to the expiration of the applicable grace period. Compliance with or completion of an OPA shields property owners from eminent domain for the term of the Redevelopment Plan as long as the property owner continues to comply with OPA requirements.

otherwise contained herein, property containing a surface parking lot is exempt from the Agency's exercise of eminent domain authority if the surface parking lot significantly supports, and is within 125 feet of an arts, culture or entertainment facility with at least 1,500 seats, as documented by a contract between the arts, cultural or entertainment facility and the owner, operator or lessee of the parking lot regarding the facility's use of the lot.

- 6. The property is necessary for the development of a residential, arts, culture, or entertainment use, the property to be acquired is 10,000 sq. ft. or less in size and the Agency has determined that, unless the property to be acquired is aggregated with one or more immediately adjacent parcel(s), none of the parcels, including the parcel to be acquired, can be feasibly developed due to inadequate size or configuration; provided however that none of the parcels is the subject of an application to the Planning Department, Department of Building Inspection, or Agency, where the applicant is in good faith pursuing new development or rehabilitation, and that no more than 30,000 sq. ft. of immediately adjacent land area may be acquired through eminent domain at any one time.
- 7. The property fronts on Mission Street, the south side of Market Street or the alleys south of Market Street, and the Agency wishes to create a physical pedestrian connection between Market Street, Mission Street and/or the alleys south of Market Street, in which case the Agency shall be allowed to acquire by fee purchase or purchase of an easement, the ability to create a pedestrian pathway, provided that reasonable use can be made of the remainder of the property.

The Agency shall not use eminent domain to acquire any real property on which a building in existence as of the date of adoption of this Plan, is to be continued on its present site and its present form and use, unless one or more of the conditions stated in Section C above are present and unless the Agency determines that such building requires structural alteration, improvement, modernization or rehabilitation or it is necessary to impose upon such property any of the standards, restrictions and controls of the Plan.

4.4.3 Pre-existing Covenants, Conditions and Restrictions on Agency Acquired Real Property

In conformance with Section 33397 of the Community Redevelopment Law, when the Agency acquires real property, any covenants, conditions, or restrictions existing on such real property prior to the time the Agency acquires title to such property, which covenants, conditions, or restrictions restrict or purport to restrict the use of, or building upon, such real property, shall be void and unenforceable as to the Agency and any other subsequent owner, tenant, lessee, easement holder, mortgagee, trustee, beneficiary under a deed of trust, or any other person or entity acquiring an interest in such real property from the date title to the real property is acquired by the Agency.

4.4.4 Acquisition of Personal Property

Where necessary to implement this Plan, the Agency is authorized to acquire personal property in the Project Area by any lawful means.

4.5 Relocation of Persons, Business Concerns and Others Displaced by Project

4.5.1 Assistance in Finding Other Locations

The Agency shall, pursuant to a Plan and Method of Relocation, assist or cause to be assisted all eligible persons (including individuals and families), business concerns and others displaced from the Project Area, by any actions of the Agency pursuant to this Plan, in finding other locations and facilities, as may be required by law. In order to implement this Plan with a minimum of hardship to eligible persons, business concerns and others, if any, displaced by the implementation of this Plan, the Agency shall assist such persons, business concerns and others in finding new locations in accordance with all applicable relocations statutes and regulations, including Sections 33410 et seq. of the Community Redevelopment Law.

4.5.2 Relocation Payments

The Agency shall make, or cause to be made, relocation payments to persons (including individuals and families), business concerns and others displaced by Agency or Agency-sponsored actions implementing this Plan as may be required by law. Such relocation payments shall be made pursuant to the California Relocation Assistance Law (Government Code Sections 7260 et seq.), Agency rules and regulations adopted pursuant thereto, and, in the event that federal funding is used in the implementation of this Plan, the Uniform Relocation Assistance and Real Property Acquisition Policies for Federal and Federally Assisted Programs. The Agency may make such other payments as it determines to be appropriate and for which funds are available.

4.6 Demolition, Clearance, Public Improvements and Site Preparation

4.6.1 Demolition and Clearance

The Agency is authorized to demolish and clear buildings, structures and other improvements from any real property in the Project Area owned or leased by the Agency or other public entity as necessary to carry out the purposes of this Plan.

4.6.2 Public Improvements, Public Facilities and Public Utilities

The Agency is authorized to install and construct, or to cause to be installed and constructed, the public improvements, public facilities and public utilities (within or outside the Project Area) necessary to carry out this Plan. Such public improvements and facilities include, but are not limited to streets, curbs, gutters, sidewalks, streetlights, water distribution systems, sewers, storm drains, traffic signals, electrical distribution systems, parks, plazas, playgrounds, parking facilities, landscaped areas, street furnishings, and transportation facilities.

4.6.3 Preparation of Building Sites

The Agency is authorized to prepare, or cause to be prepared, as building sites, any real property in the Project Area owned or leased by the Agency or other public entity. In connection therewith, the Agency may cause, provide for, or undertake the installation or construction of streets, utilities, parks, playgrounds and other public improvements necessary to carry out this Plan. The Agency is authorized to construct foundations, platforms and other structural forms necessary for the provision or utilization of underground easements or air rights sites for buildings to be used for residential, commercial, public or other uses provided in this Plan.

4.7 Property Disposition and Development

4.7.1 Real Property Disposition and Development

For the purposes of this Plan, the following criteria and obligations shall be met in the disposition and development of real property in the Project Area:

- A. The Agency is authorized, under Section 33430 of the Community Redevelopment Law, to sell, lease for a period not to exceed 99 years, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any real or personal property or any interest in property for purposes of redevelopment. Any lease or sale made pursuant to Section 33430 may be made without public bidding, but only after conducting a public hearing, notice of which shall be consistent with Section 33431 of the Community Redevelopment Law.
- B. Before any property of the Agency acquired in whole or in part, directly or indirectly, with tax increment monies is sold, leased, or otherwise disposed for development pursuant to this Plan, the Board of Supervisors shall approve such sale, lease, or disposition after a public hearing consistent with Section 33433 of the Community Redevelopment Law.
- C. All real property acquired by the Agency in the Project Area and not developed by the Agency shall be sold or leased to public or private persons or entities for development for the uses permitted under this Plan.

- D. All purchasers or lessees of property from the Agency are required to use the property for the purposes designated in this Plan, to complete development of the property within a time period which the Agency fixes as reasonable, and to comply with other conditions which the Agency deems necessary to carry out the purposes of this Plan.
- E. In the disposition of its property, the Agency is authorized to and shall ensure compliance with the provisions of this Plan and other documents formulated pursuant to this Plan. The Agency shall also ensure that development of such property proceeds in accordance with development documents and time schedules.

4.7.2 Disposition and Development Documents

The Agency shall reserve powers and controls in disposition and development documents as may be necessary to prevent transfer, retention, or use of property for speculative purposes and to ensure that development is expeditiously carried out pursuant to this Plan.

4.7.3 Development by the Agency

To the extent now or hereafter permitted by law, the Agency, with consent of the Board of Supervisors of the City and County of San Francisco, may use tax increment funds to pay all or part of the value of land, for the cost of the installation and construction of any building, facility, structure, or other improvement publicly owned either within or outside the Project Area, if the Agency and the Board of Supervisors each determine that:

- A. Such buildings, facilities, structures, or other improvements are of benefit to the Project Area or the immediate neighborhood in which the Project Area is located regardless of whether such improvements are within or outside the Project Area;
- no other reasonable means of financing such buildings, facilities, structures, and/or other improvements are available to the community; and
- C. the payment of funds for the acquisition of land or the cost of buildings, facilities, structures, or other improvements will assist in the elimination of one or more blighting conditions inside the Project Area or provide housing for low- or moderate-income persons, and is consistent with the implementation plan adopted pursuant to Section 33490 of the Community Redevelopment Law.

Such determinations by the Agency and the Board of Supervisors shall be final and conclusive.

When the value of such land or the cost of the installation and construction of such building, facility, structure, or other improvement, or both, has been or will be paid or provided for initially by the City or other public entity, the Agency may enter into a contract with the City or other public entity under which the Agency agrees to reimburse the City or other public entity for all or part of the value of such land or all or part of the cost of such building, facility, structure, or other improvement, or both, by periodic payments over a period of years.

The obligation of the Agency under such contract shall constitute an indebtedness of the Agency for the purpose of carrying out this Plan. This indebtedness may be made payable out of taxes levied in the Project Area and allocated to the Agency under subdivision (b) of Section 33670 of the Community Redevelopment Law or out of any other available funds.

Before the Agency commits to use the portion of taxes to be allocated and paid to the Agency pursuant to subdivision (b) of Section 33670 of the Community Redevelopment Law for the purpose of paying all or part of the value of the land for, and the cost of the installation and construction of, any publicly owned buildings or parking garages, the Board of Supervisors shall hold a public hearing in accord with the provisions of Sections 33679 and 33445 of the Community Redevelopment Law.

4.7.4 Development Plans

Pursuant to the Delegation Agreement described in Section 3.6 of this Plan, all private development plans shall be submitted to the Planning Department for approval, except in instances where the Agency has retained the administration of development controls. All development plans shall be in accordance with the Plan and applicable Related Plan Documents.

4.8 Coordination with Other Public Bodies

Certain public bodies are authorized by state law to aid and cooperate with or without consideration in the planning, undertaking, construction, or operation of this Project Area. The Agency may seek the aid and cooperation of such public bodies and attempt to coordinate this Plan with the activities of such public bodies in order to accomplish the purposes of redevelopment and the highest public good.

To the extent that the Agency, by law, must obtain the consent of public bodies to acquire real property owned by such public bodies, the Agency shall obtain the appropriate consent. However, the Agency will seek the cooperation of all public bodies that own or intend acquire property in the Project Area. Any public bodies that own or lease property in the Project Area will be afforded all the privileges of owner participation if such public body is willing to enter into an Owner Participation Agreement with the Agency. All plans for development of property in the Project Area by a public body shall also be subject to the approval process referred to in Subsection 4.7.4. Development Plans, to the extent permissible by law.

All development controls in this Plan, the City Planning Code and applicable Related Plan Documents shall apply to all public bodies, to the extent permissible by law. The Agency is authorized to financially (and otherwise) assist any public entity in the cost of public land, buildings, facilities, structures, or other improvements (within or outside the Project Area) when such Agency assistance will be of benefit to the Project Area.

4.9 Rehabilitation, Conservation and Moving of Structures

4.9.1 Rehabilitation and Conservation

The Agency is authorized to rehabilitate and conserve or to cause to be rehabilitated and conserved, any building or structure in the Project Area owned by the Agency. The Agency is also authorized and directed to advise, encourage and assist in the rehabilitation and conservation of property in the Project Area not owned by the Agency. The Agency is also authorized to acquire, restore, rehabilitate, move and conserve qualified historic buildings in the Project Area. Such work of rehabilitation and conservation may include seismic retrofit work pursuant to Section 33420.1 of the Community Redevelopment Law.

It shall be the purpose of this Plan to encourage the retention of existing businesses that are generally compatible with the proposed developments in the Project Area and in conformity with the uses permitted in this Plan, and to add to the economic viability of such businesses by programs that encourage voluntary participation in conservation and rehabilitation. The Agency is authorized to conduct a program of assistance and incentives to encourage owners of property within the Project Area to upgrade and maintain their property in a manner consistent with the Plan and with other standards that may be established by the Agency for the Project Area.

4.9.2 Moving of Structures

As necessary in carrying out this Plan, the Agency is authorized to move, or to cause to be moved, any structure or building which can be rehabilitated to a location within or outside the Project Area.

4.10 Low- and Moderate-Income Housing

4.10.1 General Authority

The Agency may, inside or outside the Project Area, acquire land, improve sites, or construct or rehabilitate structures in order to provide housing for persons and families whose incomes do not exceed the standards for low- or moderate-income. The Agency may also provide subsidies to, or for the benefit of, such persons and families or households to assist them in obtaining housing.

4.10.2 Replacement Housing

In accordance with Section 33334.5 of the Community Redevelopment Law, whenever a redevelopment project, including the implementation of this Plan, causes the destruction or removal of dwelling units housing persons and facilities of low- or moderate-income, the

Agency shall, within 4 years of such destruction or removal, rehabilitate, develop or construct, or cause to be rehabilitated, developed or constructed, for rental or sale to persons and families of low- or moderate-income an equal number of replacement dwelling units at affordable costs, as defined by Government Code Section 50052.5, within the Project Area or within the territorial jurisdiction of the City in accordance with Sections 33413 and 33413.5 of the Community Redevelopment Law. Replacement housing shall be located within the Project Area unless the development of such housing is infeasible. If the development of replacement housing in the Project Area is infeasible, then it shall be located within a 1-mile radius of the Project Area.

4.10.3 Replacement Housing Plan Requirement

Consistent with Section 33413.5 of the Community Redevelopment Law, not less than 30 days prior to (1) the execution of an agreement for acquisition of real property, or (2) the execution of an agreement for the disposition and development of property, or (3) the execution of an Owner Participation Agreement that would lead to the destruction or removal of dwelling units from the low- and moderate-income housing market, the Agency shall adopt by resolution a Replacement Housing Plan that shall include:

- A. The general location of housing to be rehabilitated, developed, or constructed pursuant to Section 33413 of the Community Redevelopment Law;
- B. An adequate means of financing such rehabilitation, development, or construction;
- C. A finding that the replacement housing does not require the approval of the voters pursuant to Article XXXIV of the California Constitution, or that such approval has been obtained;
- D. The number of dwelling units housing persons and families of low- or moderate-income planned for construction or rehabilitation; and
- E. The timetable for meeting the Plan's relocation, rehabilitation, and replacement housing objectives.

A dwelling unit whose replacement is required by Section 33413 of the Community Redevelopment Law, but for which no replacement housing plan has been prepared, shall not be destroyed, razed, or removed from the low- and moderate-income housing market until the Agency has by resolution adopted a Replacement Housing Plan.

4.10.4 Affordable Housing Production

Subdivision (b)(2) of Section 33413 of the Community Redevelopment Law requires that at least 15% of all new and substantially rehabilitated dwelling units developed within the Project Area by public or private entities or persons other than the Agency shall be available at affordable housing cost to, and occupied by, persons and families of extremely low-, very low-, low- or

moderate-income. The Agency shall exceed this Community Redevelopment Law requirement by making at least 20% of all new and substantially rehabilitated dwelling units available to households earning no more than 60% of area median income for rental units and to households earning no more than 100% of area median income for owner-occupied units. Not less than 40% of the dwelling units required to be available at affordable housing cost to, and occupied by, persons and families of extremely low-, very low-, low- or moderate-income shall be available at affordable housing cost to, and occupied by, extremely low- and very low-income households.

Subdivision (b)(1) of the Community Redevelopment Law requires that at least 30% of all new and substantially rehabilitated dwelling units developed by the Agency shall be available at affordable housing cost to, and occupied by, persons and families of extremely low-, very low-, low- or moderate-income. The Agency shall exceed this Community Redevelopment Law requirement by making all new and substantially rehabilitated dwelling units developed by the Agency rental units available at the deepest levels of affordability feasible, but that under any circumstances do not exceed levels of affordability for households earning no more than 60% of area median income. Not less than 50% of those dwelling units shall be available at affordable housing cost to, and occupied by, extremely low- and very low-income households.

4.10.5 Affordable Housing Preservation

The Agency shall preserve the number of affordable housing units (approximately 1,221 units) that existed in the Project Area at the time of adoption of the Mid-Market Redevelopment Survey Area.

The Agency, as part of the implementation plan required by Section 33490, shall determine the difference, if any, in the number of affordable units that existed in the Project Area at the time of adoption of the Mid-Market Redevelopment Survey Area and the number of units that existed in the Project Area at the time of preparation of the implementation plan for the purpose of establishing an additional goal for the production of affordable units.

New units that are created as a result of this section shall be rental units that are made available to households earning no more than 60% of area median income.

To the extent that this section requires the Agency to assist in the development of additional units, the construction of those units shall count towards the Agency's obligations under Section 33413(b) if they meet the standards of Section 33413(b) for "new and substantially rehabilitated units." Furthermore, whenever an Agency project causes the destruction or removal of dwelling units housing households of low or moderate income, the Agency's construction of replacement units, pursuant to Section 33413 of the Community Redevelopment Law and Section 4.10.2 of this Plan, shall count towards its obligations under this section.

4.10.6 Affordable Housing Participation Policy

To facilitate the Agency's compliance with subdivision (b)(2) of Section 33413 of the Community Redevelopment Law, as noted in Section 4.10.4 above, developers of housing within the Project Area shall comply with the Citywide Inclusionary Housing Ordinance, as described in Sections 315 et seq. of the Planning Code, and as amended in the Mid-Market SUD Ordinance, and as they both may be further amended from time to time, except that a) developers that receive financial assistance or some other material benefit, such as site assembly, site specific capital improvements, or a Plan amendment as an incentive to redevelop, may, as a condition of such assistance or approval, be required to comply instead with the Agency's Housing Participation Policy; and (b) projects that are subject to a development agreement under Chapter 56 of the San Francisco Administrative Code and that contain 1,400 or more dwelling units shall only be subject to the affordable housing requirements contained in the applicable development agreement.

4.10.7 Increase, Improve and Preserve Supply of Affordable Housing

Over the term of the Redevelopment Plan, the Agency shall use no less than 50% of the total tax increment funds that the Mayor and Board of Supervisors allocate to the Agency for its Mid-Market redevelopment activities for the purposes of increasing, improving, and preserving the City's supply of housing for persons and families of extremely low, very low, low or moderate income. (For purposes of this Section, "redevelopment activities" mean the Agency's work program as described in its annual budget.)

Pursuant to Section 33334.2 of the Community Redevelopment Law, not less than 20% of all taxes which are allocated to the Agency pursuant to subdivision (b) of Section 33670 of the Community Redevelopment Law and Chapter 5 of this Plan in a given year shall be used by the Agency for the purposes of increasing, improving and preserving the City's supply of housing for persons and families of extremely low-, very low-, low- or moderate-income unless certain findings are made as required by that section to lessen or exempt such requirement. In carrying out this purpose, the Agency may exercise all of its powers for the construction, rehabilitation or preservation of affordable housing for extremely low-, very low-, low- and moderate-income person or families, as more fully described in Section 33334.2 of the Community Redevelopment Law, including the following:

- A. Acquire land or building sites;
- B. Improve land or building sites with on-site or off-site improvements;
- C. Donate land to private or public persons or entities;
- Finance insurance premiums pursuant to Section 33136 of the Community Redevelopment Law;
- E. Construct buildings or structures;
- F. Acquire buildings or structures;
- G. Rehabilitate buildings or structures;
- Provide subsidies to or for the benefit of persons or families of extremely low, very low, low or moderate income;

- Develop plans, pay principal and interest on bonds, loans, advances or other indebtedness or pay financing or carrying charges;
- J. Preserve the availability of affordable housing units which are assisted or subsidized by public entities and which are threatened with conversion to market rates;
- Require the integration of affordable housing sites with sites developed for market rate housing; and
- L. Assist the development of housing and supportive housing by developers.

The Agency may use the funds specified in Section 33334.2 to meet, in whole or in part, the replacement housing provisions in Section 4.10.2 or the affordable housing production provisions in Section 4.10.4. These funds may be used inside the Project Area, or outside the Project Area only if findings of benefit to the Project Area are made as required by Section 33334.2 of the Community Redevelopment Law.

4.10.8 Preference for Displaced Low- and Moderate-Income Persons and Families.

Whenever the Agency provides a subsidy, financial assistance or some other material benefit such as site assembly, site specific capital improvements, or a Plan amendment, that results in low- or moderate- income housing units being developed in the Project Area or elsewhere pursuant to this Plan, the Agency shall require by contract or other appropriate means that such housing be made available for rent or purchase to persons and families of low- and moderateincome in the following order of priority, to the extent permitted by law: 1) those who are Agency Certificate Holders, 2) those displaced from housing within the Project Area by the Agency's actions pursuant to this Plan, 3) those displaced from housing elsewhere in the City by the Agency or City, 4) residents of the Project Area, 5) other residents of census tracts 176.01. 124, and 125, and 6) residents of other surrounding lower income areas impacted by gentrification, so long as this residency preference (a) does not have the purpose or effect of delaying or otherwise denying access to a housing development or unit based on race, color, ethnic origin, gender, religion, disability, age, or other protected characteristic of any member of an applicant household; and (b) is not based on how long an applicant has resided or worked in the Project Area. Such persons and families shall be given priority in renting or buying such housing, provided, however, that failure to give such priority shall not affect the validity of title to real property or any leasehold interest in real property.

CHAPTER 5.0 – METHODS OF FINANCING THE PLAN

5.1 General Description of Proposed Financing Method

The Agency is authorized to finance the implementation of this Plan with financial assistance from the City, the State, the federal government, tax increment funds, interest income, Agency bonds, donations, loans from private institutions, assessments, the lease or sale of Agency-owned property or any other available source, public or private.

The Agency is also authorized to obtain advances, borrow funds and create indebtedness in carrying out this Plan. The principal and interest on such advances, funds, or indebtedness may be paid from tax increments or any other funds available to the Agency.

The City or any other public agency may expend money to assist the Agency in carrying out this Plan. As available, gas tax funds from the State and City may be used for street improvements and public transit facilities.

5.2 Tax Increment Funds

All taxes levied upon taxable property within the Project Area each year, by or for the benefit of the State of California, the City, any district or any other public entity ("Taxing Agencies") after the effective date of the ordinance approving this Plan shall be divided as follows:

- A. That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the Taxing Agencies upon the total sum of the assessed value of the taxable property in the Project Area as shown upon the assessment roll used in connection with the taxation of such property by such Taxing Agencies, last equalized prior to the effective date of such ordinance, shall be allocated to and when collected shall be paid into the funds of the respective Taxing Agencies as taxes by or for the Taxing Agencies on all other property are paid (for the purpose of allocating taxes levied by or for any taxing agency or agencies which does not include the territory of the Project Area as of the effective date of such ordinance but to which such territory is annexed or otherwise included after such effective date, the assessment roll of the County of San Francisco last equalized on the effective date of the ordinance shall be used in determining the assessed valuation of the taxable property in the Project Area on the effective date), and
- B. Except as provided in subdivision (e) of Section 33670 or in Section 33492.15 of the Community Redevelopment Law, that portion of levied taxes each year in excess of souch amount shall be allocated to and when collected shall be paid into a special fund of the Agency to pay the principal of and interest on loans, monies advanced to, or indebtedness

(whether funded, refunded, assumed or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the Redevelopment Project. Unless and until the total assessed valuation of the taxable property in the Project Area exceeds the total assessed value of taxable property in the Project Area as shown by the last equalized assessment roll referred to in subdivision A hereof, all of the taxes levied and collected upon the taxable property in the Project Area shall be paid into the funds of the respective Taxing Agencies. When loans, advances or indebtedness, if any, and interest thereon, have been paid, all monies thereafter received from taxes upon the taxable property in the Project Area shall be paid into the funds of the respective Taxing Agencies as taxes on all other property are paid.

The Agency irrevocably pledges the portion of taxes mentioned in Section 5.2 B above for the payment of the principal and interest on the advance of monies, or making of loans or the incurring of an indebtedness (whether funded, refunded, assumed or otherwise) by the Agency to finance or refinance the implementation of this Plan in whole or in part, including but not limited to direct and indirect expenses. The Agency is authorized to make such pledges as to specific advances, loans and indebtedness as appropriate in carrying out this Plan.

5.3 Agency Bonds

The Agency is authorized to issue bonds from time to time, subject to approval of the Board of Supervisors, if it deems appropriate to do so, in order to finance all or any part of the implementation of this Plan. Neither the members of the Agency nor any persons executing the bonds are liable personally on the bonds by reason of their issuance.

The amount of bonded indebtedness of the Agency to be repaid from the allocation of taxes to the Agency pursuant to Section 33670 of the Community Redevelopment Law, which can be outstanding at one time, shall not exceed \$300 million, unless this Plan is amended to provide for a higher debt limitation.

The bonds and other obligations of the Agency are not a debt of the City or the State, nor are any of their political subdivisions liable for them, nor in any event shall the bonds or obligations be payable out of any funds or properties other than those of the Agency, and such bonds and other obligations shall so state on their face. The bonds do not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

5.4 Time Limit on Establishment of Indebtedness

The Agency shall not establish or incur loans, advances or indebtedness to finance in whole or in part the Project beyond 20 years from the effective date of the ordinance adopting this Plan unless amended following applicable provisions of the Community Redevelopment Law, except that the Agency may incur loans, advances or indebtedness beyond 20 years from the effective

date of the ordinance adopting this Plan to be paid from the Low- and Moderate-Income Housing Fund as defined by the Community Redevelopment Law. This limit shall not prevent the Agency from refinancing, refunding or restructuring indebtedness after the time limit if the indebtedness is not increased and the time during which the indebtedness is to be repaid is not extended beyond the time limit to repay indebtedness required by Section 33333.2 of the Community Redevelopment Law.

5.5 Time Limit for Receipt of Tax Increment Funds

The Agency shall not pay indebtedness or receive property taxes pursuant to Section 33670 from the Project Area after 45 years from the effective date of the ordinance adopting this Plan.

5.6 Other Loans, Grants and Miscellaneous Financing Sources

Any other loans, grants, guarantees or financial assistance from the federal government, the State or any other public or private source will be used if available.

CHAPTER 6.0 – ACTIONS, ENFORCEMENT AND PROCEDURES

6.1 Actions by the City and County

The City shall aid and cooperate with the Agency in carrying out this Plan and shall take all actions necessary to ensure the continued fulfillment of the purposes of this Plan and the other applicable Related Plan Documents, including preventing the recurrence or spread of conditions causing blight in the Project Area.

6.2 Administration and Enforcement

Except as otherwise specified in Sections 3.5, 3.6, 6.1 and elsewhere in this Plan, the Agency shall administer and enforce this Plan, including the preparation and execution of any documents implementing this Plan.

The provisions of this Plan or other documents entered into pursuant to this Plan may also be enforced by legal action instituted by the Agency to seek appropriate remedy, except as may be limited by owner participation agreements. Such remedies may include, but are not limited to, specific performance, damages, reentry, injunctions or any other remedies appropriate to the purposes of this Plan. In addition, any recorded provisions, which are expressly for the benefit of owners of property in the Project Area, may be enforced by such owners.

6.3 Duration and Effectiveness of the Plan

The provisions of this Plan shall be effective for 30 years from the date of adoption of this Plan by the Board of Supervisors, except that the nondiscrimination and nonsegregation provisions shall run in perpetuity. After this time limit on the duration and effectiveness of the Plan, the Agency shall have no authority to act pursuant to this Plan except to pay previously incurred indebtedness and to enforce existing covenants or contracts, and, except that, if the Agency has not completed its housing obligations pursuant to Section 33333.8 of the Community Redevelopment Law, it shall retain its authority to implement its requirements under Section 33333.8, including its ability to incur and pay indebtedness for this purpose, and shall use this authority to complete these housing obligations as soon as reasonably possible.

6.4 Procedures for Plan Amendment

This Plan may be amended by means of the procedure established in Sections 33450-33458 of the Community Redevelopment Law or by any other procedure hereafter established by law.

6.5 Severability

If any provision, section, subsection, subdivision, sentence, clause or phrase of this Plan is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portion or portions of the Plan.

CHAPTER 7.0 – REPRESENTATIVE PROJECTS AND PROGRAMS

7.1 Implementation Plans

Per Section 33490 of the Community Redevelopment Law, the Agency shall adopt, after a public hearing, an implementation plan that shall contain the specific goals and objectives of the Agency for the Project Area, the specific programs, including potential projects, and estimated expenditures proposed to be made during the next 5 years, and an explanation of how the goals and objectives, programs, and expenditures will eliminate blight within the Project Area and implement the requirements of Sections 33334.2, 33334.4, 33334.6, and 33413. In accordance with the Community Redevelopment Law, the Implementation Plan will be updated every 5 years.

7.2 Representative Projects and Programs

The following are representative projects and programs developed in conjunction with the PAC and the larger Mid-Market community to support the revitalization and alleviation of blight in the Project Area during the development of this Plan. These projects and programs should be viewed as a starting place in the development of each 5-Year Implementation Plan and in some cases where a multi-agency effort is needed, may be the subject of an Interagency Cooperation Agreement. The inclusion of the following projects and programs in this Plan is merely illustrative and does not commit the Agency to undertake these activities, which are subject to future appropriations and specific Agency approval.

The representative projects and programs fall into the categories described below.

A - Arts, Culture, and Entertainment

- A1. Theater/Performing Arts Facilities. Rehabilitate, restore or adaptively reuse historic theater/performing arts facilities along Market Street complemented by the development of new theater/performing arts facilities throughout the Project Area.
- A2. Visual/Multi-use Arts Facilities. Develop small to mid-scale visual arts and multi-use arts facilities with a special emphasis on community-oriented venues.
- A3. Popular International Film Venue. Develop of a venue for commercial international films from Asia, Latin America, etc., as part of a larger mixed-use development.

- A4. Business and Management Assistance for the Arts. Seek sources to develop of a fund to provide business and management assistance to Mid-Market arts organizations. It is anticipated that this fund would be managed through an existing program of the Arts Commission. This may include, but is not limited to, revolving capital loan funds, predevelopment funds, low interest loans, support in acquiring direct or indirect loans, credit assistance, and providing arts incubator space. Funds will be targeted to support small to medium size arts organizations that operate within the Project Area boundaries.
- A5. Adult Entertainment Conversion to Mainstream Uses. Existing legal adult entertainment uses will be allowed to remain. As opportunities arise, the Agency will work with property owners and existing on-site business proprietors to seek the conversion of these adult entertainment uses into mainstream theater/arts facilities or other complementary uses.
- A6. Jessie Street/Old Mint Public Art Plaza. Coordinate a design process to explore the closure of Jessie Street and the Old Mint right-of-way in order to develop a pedestrian-oriented thoroughfare and an art-programmed plaza in collaboration with area stakeholders and appropriate City departments.
- A7. Museum and Cultural Center Development. Support and encourage the development of museums and cultural centers -- such as the development of a Gay Lesbian Bisexual Transgender Historical Society facility -- in the Project Area. The Agency will participate in community coordination, fiscal feasibility and other analyses related to museum and cultural center development.
- A8. Nighttime Entertainment Development. Support and encourage the retention and enhancement of existing nighttime entertainment uses, the adaptive reuse of existing facilities to house new nighttime entertainment uses, and development of new, nighttime and entertainment uses, including nightclubs. This includes, but is not limited to, working with project developers to establish vibrant ground floor, basement, and mezzanine level uses that support active nighttime use in Mid-Market
- A9. Community Arts and Education Program. Seek sources to develop a fund for community arts and education in coordination with the Art Commission's Community Arts & Education (CAE) program. The CAE supports cultural arts activities and arts education, promotes the revitalization of economically disadvantaged and underserved communities through the arts, and serves special constituents such as youth, the homeless, seniors, and incarcerated people.
- A10. Arts, Culture & Entertainment Coordination. Encourage the establishment of or work with an existing collaborative body or organization devoted to the coordination, development, maintenance and promotion of a Mid-Market Theater,

Arts, Cultural and Entertainment District. This collaborative body or organization must have a clearly defined and formalized relationship to the PAC and the Agency.

B - Community Identity & the Built Environment

- B1. Mid-Market Design Guidelines. Develop a comprehensive set of urban design guidelines for Mid-Market's streetscapes, open spaces, storefronts, and buildings and signage. The guidelines must consider the district's historic resources and set standards for building restoration, rehabilitation, adaptive reuse, and new construction. The guidelines should also encourage the restoration of existing, and the creation of new, marquees.
- B2. Streetscape Improvements. Develop and implement streetscape plans in coordination with the Department of Public Works and community stakeholders taking into consideration issues of public safety. Streetscape improvements for Market Street, Mission Street and major cross streets are a priority. Streetscape plans should include infill tree planting on Mission Street and major cross streets, and include the re-installation of tree uplighting along Market Street.
- B3. Development of a New Neighborhood Park. Identify potential sites and funding for acquisition, development and maintenance of a neighborhood park to serve the Mid-Market area. The ideal site will have exposure on a major street with additional access from minor streets and alleys, and adjacent development opportunity sites that could offer active frontages and create natural surveillance.
- B4. Revitalization of Adjacent Public Open Spaces. Coordinate of Mid-Market PAC input into the rehabilitation and physical improvement of key public spaces adjacent to the Mid-Market Project Area, including United Nations Plaza, Civic Center Plaza, Hallidie Plaza, and other public spaces identified in the future.
- B5. Pedestrian Connections Between Market and Mission Streets. Identify potential sites and easements for use as mid-block pedestrian connections between Market Street and Mission Street. This should include an analysis of the potential to increase sidewalk widths along numbered cross streets, taking into consideration the impacts on traffic and parking. The acquisition of pedestrian easements may occur in new developments or existing ground floor properties with consideration given to minimize the hardship on building owners. Long-term partnerships will be developed to ensure maintenance and programming.
- B6. Old Mint Reuse and Revitalization. The Old Mint stands out as an important building in the urban fabric of Mid-Market. The San Francisco Museum and Historical Society is leading reuse and revitalization opportunities for this property. The Agency will coordinate with and support the revitalization effort.

- B7. Unreinforced Masonry Building (UMB) Rehabilitation. Assist in the structural upgrade and rehabilitation of existing unreinforced masonry buildings in coordination with any existing City UMB loan program.
- B8. Building Lighting Program. Develop a building lighting program aimed at lighting historic façades in coordination with the Department of Public Works and property owners. Encourage owners of historic buildings to uplight their buildings through government incentives such as low interest loans.

C - Community Services & Public Safety

- C1. Office Space for Non-Profit Organizations. Develop or rehabilitate at least 130,000 square feet of long-term, affordable, nonprofit office space in and around the Mid-Market Redevelopment Project Area. Implementation strategies may include:
 - Providing zoning incentives, such as floor area ratio bonuses, to private developers that incorporate below market rate office space into their development.
 - Supporting nonprofit organizations in acquiring ownership of two buildings.
 - Master leasing buildings, or portions thereof, to nonprofit organizations, which in turn, sublease to other nonprofits. Master leases should be long term.
 - The Agency directly acquiring two office buildings with the intent of securing affordable space for nonprofits.
 - Funding priorities include those projects or initiatives that can secure longterm affordable ownership (vs. rental) opportunities for individual nonprofits or nonprofit collaborations, especially those that serve the central city.
- C2. Community Facilities for Youth, Families and Seniors. Develop of new public or private facilities targeted to serve the at-risk youth, families and seniors who reside within and around the Mid-Market Project Area. This effort will be closely coordinated with existing youth, family, and senior service providers.
- C3. Coordination with Social Service Programs. Work with local housing providers, social service organizations, and the community at large, the Agency will aid in citywide coordination efforts aimed at improving service delivery to the local population.
- C4. Pedestrian Street Lighting on Key Pedestrian Streets and Alleys. Coordinate with appropriate City departments to install and/or supplement pedestrian street lighting on key pedestrian arterials such as Mission Street, major cross streets and on smaller side streets and alleys. The Agency will also work with City departments and property owners to enhance the overall lighting of Mid-Market

through such activities as lowering existing streetlights and the installation/repair of uplighting on Market Street.

C5. Street/Sidewalk Cleaning/Maintenance. Assess existing street and sidewalk cleaning, maintenance, repair, and graffiti removal efforts in coordination with the Department of Public Works with the aim of developing an ongoing long-term maintenance strategy. Develop a long-term strategy that does not rely on taxincrement funding and extends past the life of the Plan. Public/private partnerships should be actively considered. Encourage existing owners of property, and require new owners and owners who renovate properties, to include the installation of hose bibs near or at street facade.

D - Economic & Business Vitality

- D1. Rehabilitation and Infill Development Program. Develop an Implementation Plan every five years that identifies properties critical to realizing the economic and business goals and objectives of the Redevelopment Plan. Funding sources will be identified for the rehabilitation and/or adaptive reuse of existing buildings and for new commercial infill development on properties that are vacant, blighted and/or underutilized. The Implementation Plan will be developed in conjunction with the Mid-Market PAC within a clearly defined and accessible public process.
- D2. Business Assistance Program. Develop a Business Assistance Program that funds business development initiatives, including, but not limited to: the provision of low interest loans; technical, promotional and developmental support; the development of business incubator space; and business retention and attraction programs. Funding priority should be given to arts, culture and entertainment uses and neighborhood-serving businesses.
- D3. Arts, Culture and Entertainment Development. Development and encouragement of theater, arts, cultural and entertainment uses and their associated complementary uses through the use of development incentives associated with the Mid-Market Special Use District, the Mid-Market Business Assistance Program and close coordination with project developers.
- D4. Neighborhood Serving Commercial Development. Encourage neighborhood-serving businesses that readily provide area residents convenient access to a wide variety of affordable household goods and services. Of particular importance and priority is the development of a small to mid-sized supermarket. This program will utilize development incentives associated with the Mid-Market Special Use District, the Mid-Market Business Assistance Program and include close coordination with project developers.

- D5. Façade Improvement Program. Develop a Façade Improvement Program that enables property and business owners to secure matching funds and technical support to improve façades, storefronts, and signage in accordance with Mid-Market Design Guidelines.
- D6. Community Benefits Program. Encourage local hiring programs in conjunction with all major development initiatives. Seek retention and recruitment of businesses willing and able to commit resources towards the development of local hiring programs. Establish partnerships between area employers and community serving employment organizations.
- D7. Economic Development Coordination. Establish or work with an existing collaborative body or organization devoted to the coordination, development, maintenance and promotion of vital Mid-Market economic development activity. This collaborative body or organization must have a clearly defined and formalized relationship to the PAC and the Agency.

E - Housing and Neighborhood

- E1. Affordable Housing Program. Develop extremely low, very low-income, low-income and moderate-income housing in Mid-Market through new construction and rehabilitation efforts. Affordable housing goals should be met through collaborations with both the private and nonprofit sectors with the ultimate aim of providing housing opportunities for residents at all income levels and encouraging mixed-income developments. New affordable housing should provide for a mix of rental/ownership and meet established targets for studio and family housing dwelling units.
- E2. Market-Rate, Low-Income, Moderate-Income, and Mixed-Income Housing Development Incentives. Encourage market-rate, low-income, moderateincome, and mixed-income housing developments through the utilization of development incentives associated with the Mid-Market SUD.
- E3. Supportive/Transitional Housing Program. Develop supportive and transitional housing facilities that co-locate housing with needed support services. Co-location includes service provision on-site and in the direct vicinity of the housing site.
- E4. SRO Residential Rehabilitation and Development Program. Establish a rehabilitation program for existing single room occupancy residential hotels that includes standards for hotel management and guidelines to minimize residential displacement. Develop new single room occupancy hotels through new construction and rehabilitation efforts

- E5. Senior Homeless Shelter. Develops senior homeless shelter in collaboration with the Department of Public Health and the Department of Human Services and other senior/homeless service providers.
- E6. Housing Education and Referral Programs. Develop a housing education and referral system by and between the Agency, local housing providers, and social service organizations that is readily accessible to the community-at-large.

F - Transportation and Parking

- F1. Transportation Demand Management ("TDM") Program. Develop a comprehensive TDM program to maximize efficient use of existing facilities, including on-street parking, parking accessory to non-residential daytime uses, and existing public and private short-term parking facilities, with the goal of expanding availability of short-term parking as the district grows. Solutions to consider include shuttle programs, valet parking from garages with door service at cultural venues, carpooling, charter bus services, marketing of transit services, transit use incentives, and others.
- F2. Wayfinding Signage Program. Participate in public planning efforts to develop a wayfinding signage program to direct visitors of the area, as Mid-Market represents the confluence point between Civic Center, Tenderloin, South of Market, Yerba Buena Center, and the Union Square Commercial Retail District.
- F3. Physical Improvements to Civic Center BART Station. Participate in public planning efforts with BART and appropriate City agencies to improve the physical conditions around all Civic Center station entrances in the Mid-Market Project Area and to foster transit-oriented joint development around the Civic Center and Powell Street BART Stations.
- F4. Transit Service and Routing Improvements. Participate in public planning efforts with the City's transportation, parking and traffic agencies to provide for needed transit service and transit routing improvements on an ongoing basis. Supportive services and programs that promote increased public transit use, such as car-sharing, shuttles, and carpooling should also be encouraged.
- F5. Bicycle Lanes for Major Thoroughfares. Facilitate community input toward the implementation of needed bicycle lanes in the Project Area. All efforts will be accomplished through coordination with the City's transportation, parking and traffic agencies.
- F6. Pedestrian Safety Improvements. Implement pedestrian safety improvements in coordination with appropriate City departments, including encouraging direct pedestrian pathways at intersections, installing countdown crosswalk lights and

dedicated right-turn only lights for automobiles on Market Street, clearly demarcating crosswalks through better painting, and augmenting islands to make street crossing safer. A special emphasis should be placed on Market Street, Mission Street and major cross streets.

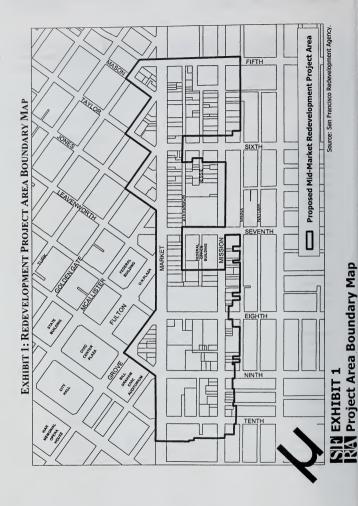


EXHIBIT 2: LEGAL DESCRIPTION OF PROJECT AREA BOUNDARIES

The boundaries of the Mid-Market Redevelopment Project Area are described as follows:

Beginning at the point of intersection of the northeasterly line of Cyril Magnin Street with the northwesterly line of Market Street, said point being in Assessor's Block 0341; thence southeasterly across Market Street (120 feet in width) to the point of intersection of the northeasterly line of Fifth Street (82 feet 6 inches in width) with the southeasterly line of Market Street, last said point being the most westerly corner of Assessor's Block 3705; thence southeasterly along said northeasterly line of Fifth Street and its southeasterly prolongation a distance of 792 feet 6 inches, more or less, to a point in the southwesterly prolongation of the northwesterly line of Minna Street (40 feet wide) in Assessor's Block 3724; thence southwesterly along said southwesterly prolongation and along the northwesterly line of Minna Street a distance of 782 feet 10 inches, more or less, to a point in a line that is parallel with and distant 125 feet northeasterly, measured at right angles, from the northeasterly line of Sixth Street, last said point being in Assessor's Block 3725; thence northwesterly along last said parallel line a distance of 80 feet to a point; thence southwesterly at right angles to last described course a distance of 50 feet to a point in a line that is parallel with and distant 75 feet northeasterly, measured at right angles, from said northeasterly line of Sixth Street; thence northwesterly along last said parallel line a distance of 437 feet 6 inches, more or less, to a point in Assessor's Block 3704; thence northeasterly at right angles to last described course a distance of 3.0 feet to a point; thence northwesterly at right angles to last described course a distance of 105 feet to a point in the northwesterly line of Stevenson Street; thence southwesterly along last said line of Stevenson Street and its southwesterly prolongation a distance of 285 feet 6 inches, more or less, to a point in a line that is parallel with and distant 125 feet southwesterly, measured at right angles, from the southwesterly line of Sixth Street, last said point being in Assessor's Block 3703; thence southeasterly along last said parallel line a distance of 110 feet; thence northeasterly at right angles to the last described course a distance of 45 feet to a point in a line that is parallel with and distant 80 feet southwesterly, measured at right angles, from said southwesterly line of Sixth Street; thence southeasterly along last said parallel line a distance of 115 feet, more or less, to a point in the southeasterly line of Jessie Street; thence southwesterly along said line of Jessie Street a distance of 50 feet to a point in a line that is parallel with and distant 130 feet southwesterly, measured at right angles, from said southwesterly line of Sixth Street; thence southeasterly, along last said parallel line a distance of 242 feet 6 inches, more or less, to a point in said southeasterly line of Mission Street, last said point being in Assessor's Block 3726; thence southwesterly along last said line of Mission Street and its southwesterly prolongation a distance of 695 feet, more or less, to a point in the northeasterly line of Seventh Street (82 feet 6 inches in width); thence northwesterly along last said line of Seventh Street and its northwesterly prolongation a distance of 467 feet 6 inches, more or less, to a point in the northwesterly line of Stevenson Street, last said point being in Assessor's Block 3703; thence southwesterly along said line of Stevenson Street and its southwesterly prolongation to a point in a line that is parallel

with and distant 375 feet southwesterly, measured at right angles from the southwesterly line of Seventh Street, last said point being in Assessor's Block 3702; thence southeasterly along last said parallel line a distance of 467 feet 6 inches, more or less, to a point in said southeasterly line of Mission Street, last said point being in the northwesterly line of Assessor's Block 3727; thence northeasterly along last said line of Mission Street a distance of 375 feet, more or less, to a point in the southwesterly line of Seventh Street: thence southeasterly along last said line of Seventh Street a distance of 160 feet, more or less, to a point in the northwesterly line of Minna Street (35 feet wide): thence southwesterly along last said line of Minna Street a distance of 125 feet to a point: thence northwesterly at right angles 75 feet to a point; thence southwesterly at right angles 50 feet to a point; thence southeasterly at right angles 75 feet to a point in said northwesterly line of Minna Street: thence southwesterly along last said line of Minna Street a distance of 100 feet to a point; thence northwesterly at right angles a distance of 75 feet to a point; thence southwesterly at right angles 25 feet to a point; thence southeasterly at right angles 75 feet to a point in said northwesterly line of Minna Street; thence southwesterly along last said line of Minna Street and its southwesterly prolongation, a distance of 320 feet, more or less, to a point in said northwesterly line of Minna Street; thence northwesterly at right angles a distance of 80 feet to a point; thence southwesterly at right angles a distance of 40 feet to a point; thence southeasterly at right angles a distance of 80 feet to a point in said northwesterly line of Minna Street; thence southwesterly along last said line a distance of 40 feet to a point; thence northwesterly at right angles a distance of 80 feet to a point; thence southwesterly at right angles a distance of 60 feet to a point; thence northwesterly at right angles a distance of 40 feet to a point in a line that is parallel with and distant 40 feet southeasterly, measured at right angles, from said southeasterly line of Mission Street; thence southwesterly along last said parallel line a distance of 147 feet 6 inches to a point in the southwesterly line of Eighth Street (82 feet 6 inches wide), last said point being in the northeasterly line of Assessor's Block 3728; thence southeasterly along said southwesterly line of Eighth Street a distance of 40 feet to a point; thence southwesterly at right angles a distance of 80 feet to a point; thence southeasterly at right angles a distance of 80 feet to a point in the northwesterly line of Minna Street; thence southwesterly along last said line of Minna Street, a distance of 314 feet 5 inches, more or less, to a point in a line that is parallel with and distant 155 feet northeasterly, measured at right angles, from the northeasterly line of Ninth Street; thence northwesterly along last said parallel line a distance of 75 feet to a point; thence southwesterly at right angles a distance of 35 feet to a point; thence southeasterly at right angles a distance of 75 feet to a point in said northwesterly line of Minna Street; thence southwesterly along said line of Minna Street a distance of 30 feet to a point; thence northwesterly at right angles a distance of 80 feet to a point; thence southwesterly at right angles a distance of 20.188 feet to a point; thence southeasterly at right angles a distance of 25 feet to a point in a line that is parallel with and distant 105 feet southeasterly, measured at right angles, from the southeasterly line of Mission Street; thence southwesterly along last said parallel line a distance of 152 feet 4 inches, more or less, to a point in the southwesterly line of Ninth Street, being in Assessor's Block 3509; thence northwesterly along said line of Ninth Street a distance of 23.75 feet to a point;

thence southwesterly at right angles a distance of 113.333 feet to a point in the northeasterly line of Washburn Street (35 feet wide); thence southeasterly along last said northeasterly line a distance of 18.75 feet, more or less, to a point in a line that is parallel with and distant 100 feet southeasterly, measured at right angles, from the southeasterly line of Mission Street; thence southwesterly along last said parallel line a distance of 148.333 feet, more or less, to a point in the northeasterly line of Grace Street (35 feet wide); thence northeasterly along last said line of Grace Street a distance of 25 feet to a point in a line that is parallel with and distant 125 feet southeasterly, measured at right angles, from said southeasterly line of Mission Street; thence southwesterly along last said parallel line a distance of 195.833 feet, more or less, to a point in the southwesterly line of Tenth Street, last said point being in Assessor's Block 3510; thence northwesterly along last said line of Tenth Street a distance of 30 feet to a point; thence southwesterly 112 feet to a point; thence northwesterly 102 feet, measured at right angles, to the southeasterly line of Mission Street: thence southwesterly along last said line of Mission Street a distance of 41.625 feet to a point; thence northwesterly at right angles a distance of 335 feet to a point in Assessor's Block 3507; thence southwesterly at right angles a distance of 26.5 feet to a point in a line that is parallel with and distant 180.25 feet southwesterly, measured at right angles, from the southwesterly line of Tenth Street; thence northwesterly along last said parallel line a distance of 56.333 feet to a point; thence southwesterly at right angles a distance of 10 feet to a point in a line that is parallel with and distant 190.125 feet southwesterly, measures at right angles, from said southwesterly line of Tenth Street; thence northwesterly along last said parallel line a distance of 364.5 feet, more or less, to a point in the northwesterly line of Market Street (120 feet wide), last said point being in the southeasterly line of Assessor's Block 835; thence northeasterly along last said line of Market Street to the point of intersection with the southerly prolongation of the westerly line of Larkin Street (68 feet 9 inches wide), as last said southerly prolongation is projected southerly from Assessor's Block 0812; thence northerly along last said prolongation and the westerly line of Larkin Street to the point of intersection with the westerly prolongation of the northerly line of Grove Street (68 feet 9 inches wide), as last said westerly prolongation is projected westerly from Assessor's Block 0354; thence easterly along last said prolongation and the northerly line of Grove Street a distance of 571.921 feet, more or less, to a point in the northwesterly line of Market Street (120 feet wide), last said point being in the most southerly line of Assessor's Block 0351; thence northeasterly along said northwesterly line of Market Street to the point of intersection with the westerly line of Jones Street, as last said point is situated in the easterly line of Assessor's Block 0351; thence northerly along last said line of Jones Street and its northerly prolongation a distance of 416 feet 11 inches, more or less, to a point in the northerly line of Golden Gate Avenue, last said point being the southeast corner of Assessor's Block 0344; thence easterly along said northerly line of Golden Gate Avenue and its easterly prolongation a distance of 481 feet 3 inches, more or less, to a point in the westerly line of Taylor Street, last said point being the southeast corner of Assessor's Block 0343; thence northerly along last said line of Taylor Street and its northerly prolongation a distance of 343 feet 9 inches, more or less, to a point in the northerly line of Turk Street, last said point being the southeast corner of Assessor's

Block 0339; thence easterly along said northerly line of Turk Street and its easterly prolongation a distance of 481 feet 3 inches, more or less, to a point in the westerly line of Mason Street, last said point being the southeast corner of Assessor's Block 0340; thence northerly along last said line of Mason Street a distance of 343 feet 9 inches, more or less, to the northerly line of Eddy Street, last said point being the southeast corner of Assessor's Block 0331; thence easterly along last said inortherly line of Eddy Street and its easterly prolongation to the point of intersection with the northwesterly prolongation of the northeasterly line in Geryll Magnin Street, as last said northeasterly line is delineated on the Assessor's plat of Assessor's Block 0341; thence southeasterly along last said prolongation and along last said line of Cyril Magnin Street to the point of intersection with said northwesterly line of Market Street, last said point being the Point of Beginning.

